

N E W S R E L E A S E

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California's Unemployment Rate Decreases to 4.9 Percent **Payroll Employment Up 11,000 Jobs**

SACRAMENTO – California's unemployment rate was 4.9 percent in June, down from 5.0 percent in May, the state Employment Development Department (EDD) reported today. A year ago, in June 2005, California's unemployment rate was 5.4 percent.

According to EDD's survey of employers, nonfarm payroll employment in California increased by 11,000 jobs over the month, for a total of 14,975,200.

According to the separate survey of households, the number of Californians holding jobs in June was 16,869,000. This was a decrease of 39,000 from May, but up 136,000 from the employment total in June of last year.

The number of people unemployed in California was 875,000 – a decline of 11,000 over the month, and down by 80,000 compared with June of last year.

Of the unemployed, 268,500 were laid off, 85,100 left their jobs voluntarily, and the remaining were either new entrants or reentrants into the labor market, or persons who completed temporary jobs.

UNEMPLOYMENT INSURANCE CLAIMS (NOT SEASONALLY ADJUSTED)

In related data, the EDD reported that there were 309,675 people receiving regular unemployment insurance benefits during the June survey week. This compares with 334,154 last month and 339,483 last year. At the same time, new claims for unemployment insurance were 40,414 in June 2006, compared with 37,041 in May and 40,034 in June of last year.

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WAGE AND SALARY EMPLOYMENT DETAIL (SEASONALLY ADJUSTED)

EDD's report on payroll employment (wage and salary jobs) in the nonfarm industries of California totaled 14,975,200 in June, a net gain of 11,000 jobs since the May survey. This followed a gain of 15,300 jobs (as revised) in May.

Eight of the categories (**natural resources and mining; manufacturing; trade, transportation and utilities; information; professional and business services; educational and health services; leisure and hospitality; and government**) added jobs over the month, gaining 12,900 jobs. The information industry showed the largest gain, up by 3,300 jobs. Three categories (**construction; financial activities; and other services**) reported job declines this month, down 1,900 jobs. Financial activities posted the largest decline over the month, down by 1,000 jobs.

In a year-over-year comparison (June 2005 to June 2006), nonfarm payroll employment in California increased by 235,600 jobs (up 1.6 percent).

Eleven industry divisions (**natural resources and mining; construction; manufacturing; trade, transportation and utilities; information; financial activities; professional and business services; educational and health services; leisure and hospitality; other services; and government**) posted job gains over the year, adding 235,600 jobs. On a numerical basis, professional and business services showed the strongest employment growth, adding 60,200 jobs (a 2.8 percent increase). On a percentage of growth basis, natural resources and mining showed the strongest gain, up 3.0 percent (adding 700 jobs).

No categories posted job declines over the year.

WAGE AND SALARY EMPLOYMENT DETAIL (NOT SEASONALLY ADJUSTED)

Over the month, employment in **leisure and hospitality** showed the largest non-seasonally adjusted gain, up by 15,000 jobs. The gains were divided between the accommodation and food service sector (up by 9,800 jobs) and the arts, entertainment, and recreation sector (up by 5,200 jobs). **Educational and health services** recorded the greatest non-seasonally adjusted loss, down by 16,000 jobs. The losses were concentrated in the educational services sector, which declined by 16,700 jobs, reflecting the end of the school year.

The **professional and business services** industries reported the largest gain over the year, up 61,500 jobs. The gains were mainly in the administrative and support and waste services sector (up by 35,300 jobs) and the professional, scientific and technical services sector (up by 24,500 jobs). The only decrease over the year was in **manufacturing**, which was down by 2,300 jobs. The declines were centered in the durable goods manufacturing sector, which was down by 2,600 jobs, mainly in computer and electronic product manufacturing, which declined by 2,300 jobs.

Seasonally adjusted payroll detail follows:

WAGE AND SALARY EMPLOYMENT, SEASONALLY ADJUSTED DATA
(Amounts in thousands)

Industrial Classification	June 2006 (prelim.)	May 2006	June 2005	Change Over 12 months (Percent)
Nonagricultural Wage and Salary Workers	14,975.2	14,964.2	14,739.6	1.6
Natural resources and mining	23.9	23.8	23.2	3.0
Construction	921.9	922.4	902.7	2.1
Manufacturing	1,509.2	1,508.2	1,507.6	0.1
Trade, transportation and utilities	2,834.3	2,833.6	2,803.2	1.1
Information	470.6	467.3	469.1	0.3
Financial activities	941.3	942.3	924.4	1.8
Professional and business services	2,199.0	2,195.8	2,138.8	2.8
Educational and health services	1,613.2	1,611.4	1,582.7	1.9
Leisure and hospitality	1,512.8	1,510.9	1,470.7	2.9
Other services	518.2	518.6	508.9	1.8
Government*	2,430.8	2,429.9	2,408.3	0.9
Agriculture	374.6	358.2	360.4	3.9

*Includes all civilian employees of federal, state, and local governments.

TABLE A
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, SEASONALLY ADJUSTED DATA

	June 2006	May 2006	April 2006	June 2005
Civilian labor force ^a	17,744,000	17,794,000	17,735,000	17,688,000
Total civilian employment	16,869,000	16,908,000	16,865,000	16,733,000
Unemployment	875,000	886,000	870,000	955,000
Seasonally adjusted rate %	4.9	5.0	4.9	5.4
US seasonally adjusted rate % . . .	4.6	4.6	4.7	5.0

TABLE B
EMPLOYMENT AND UNEMPLOYMENT IN CALIFORNIA, UNADJUSTED DATA

	June 2006	May 2006	April 2006	June 2005
Civilian labor force ^a	17,779,000	17,717,000	17,647,000	17,669,000
Total civilian employment	16,899,000	16,897,000	16,805,000	16,713,000
Unemployment	880,000	820,000	842,000	956,000
Unadjusted rate %	4.9	4.6	4.8	5.4

^aLabor force by place of residence including workers involved in trade disputes.

MONTHLY LABOR FORCE DATA FOR COUNTIES
JUNE 2006; 2005 BENCHMARK
NOT SEASONALLY ADJUSTED

COUNTY	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
STATE TOTAL	17,779,400	16,899,300	880,100	4.9%
ALAMEDA	751,200	715,000	36,300	4.8%
ALPINE	450	410	40	7.8%
AMADOR	16,720	15,880	840	5.0%
BUTTE	99,300	93,000	6,300	6.4%
CALAVERAS	21,480	20,350	1,140	5.3%
COLUSA	10,280	9,300	970	9.5%
CONTRA COSTA	514,400	491,500	22,900	4.5%
DEL NORTE	10,970	10,220	740	6.8%
EL DORADO	91,800	87,700	4,100	4.5%
FRESNO	407,400	374,700	32,700	8.0%
GLENN	11,750	10,780	980	8.3%
HUMBOLDT	61,100	57,800	3,300	5.4%
IMPERIAL	62,600	53,400	9,200	14.7%
INYO	9,600	9,170	430	4.5%
KERN	329,400	304,400	25,000	7.6%
KINGS	55,600	50,900	4,700	8.4%
LAKE	26,300	24,570	1,730	6.6%
LASSEN	12,350	11,460	890	7.2%
LOS ANGELES	4,856,400	4,630,200	226,200	4.7%
MADERA	62,300	57,900	4,300	7.0%
MARIN	129,800	124,800	5,000	3.8%
MARIPOSA	9,340	8,880	460	4.9%
MENDOCINO	44,440	42,240	2,200	5.0%
MERCED	100,700	91,500	9,200	9.2%
MODOC	4,210	3,910	290	6.9%
MONO	8,390	7,980	410	4.9%
MONTEREY	214,600	202,700	11,900	5.6%
NAPA	74,100	71,400	2,700	3.6%
NEVADA	50,560	48,360	2,200	4.3%
ORANGE	1,602,400	1,542,400	60,000	3.7%
PLACER	164,200	157,500	6,700	4.1%
PLUMAS	10,780	10,150	630	5.8%
RIVERSIDE	854,500	812,500	42,000	4.9%
SACRAMENTO	680,900	648,100	32,800	4.8%
SAN BENITO	24,600	22,900	1,600	6.7%
SAN BERNARDINO	870,400	826,800	43,500	5.0%
SAN DIEGO	1,510,700	1,446,700	64,000	4.2%
SAN FRANCISCO	418,300	399,000	19,300	4.6%
SAN JOAQUIN	288,800	267,900	20,900	7.2%
SAN LUIS OBISPO	134,000	128,700	5,300	3.9%
SAN MATEO	362,700	348,000	14,600	4.0%
SANTA BARBARA	217,200	208,500	8,600	4.0%
SANTA CLARA	815,700	775,300	40,500	5.0%
SANTA CRUZ	147,800	140,300	7,500	5.1%
SHASTA	82,200	77,000	5,200	6.3%
SIERRA	1,650	1,540	110	6.6%
SISKIYOU	19,060	17,700	1,360	7.1%
SOLANO	212,000	201,100	10,900	5.1%
SONOMA	254,100	243,300	10,800	4.3%
STANISLAUS	229,400	210,500	19,000	8.3%
SUTTER	41,700	38,100	3,600	8.7%
TEHAMA	25,420	23,760	1,670	6.6%
TRINITY	5,310	4,880	440	8.2%
TULARE	188,500	173,500	15,000	7.9%
TUOLUMNE	26,130	24,710	1,420	5.4%
VENTURA	422,400	403,800	18,600	4.4%
YOLO	94,500	90,000	4,500	4.7%
YUBA	26,600	24,300	2,300	8.7%